



# *State Senator* **NANCY CASSIS** *E-NEWS UPDATE*

## **Cassis bill creates Michigan's Earned Income Tax Credit, helping low-income families**

The Legislature passed a bill Wednesday, which I sponsored, providing a tax credit to help low-income working individuals and families. The tax credit will put money into the pockets of Michigan's working poor. Many will choose to spend these dollars, putting their disposable income back into Michigan's economy and providing a much-needed stimulus.

Senate Bill 453 allows a taxpayer to take a credit on his Michigan income tax equal to 20 percent of the Earned Income Tax Credit claimed on their federal tax return. The credit will be phased in over a two-year period beginning in 2008.

Many families in my 15th District of Western Oakland County and across Michigan are facing difficult times. This credit will provide much-needed relief, letting people keep more of their hard-earned money for necessities like prescription drugs, childcare, transportation and gasoline.

The Senate also voted Wednesday to give immediate effect to Senate Bill 6213. Earlier this year the Legislature increased the minimum wage to \$6.95 per hour starting Oct. 1, 2006 and \$7.40 per hour by 2008. The immediate-effect vote preserves federal exemptions regarding overtime for certain workers, saving jobs that otherwise would have been forced to be cut. The vote also encourages local job creation that helps ensure dozens of area businesses will be able to retain their workers and not reduce their workers' pay.

I have heard from several local business owners who told me that they would have no choice but to cut jobs over the next six months if we didn't vote the way we did.

"We are thankful for Sen. Cassis' leadership on this issue," said Lou Ansara, a local restaurateur. "This will allow us to keep our job force intact and not have to pass along increased prices to consumers."

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### **Contact Information:**

The E-News Update by Senator Nancy Cassis is designed to provide residents and organizations with a periodic update of my activity in Lansing. If you have any questions or do not wish to receive this e-mail, please contact my office.

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